

**Headline:** Reviewed Quarter 3 F/S (F45-1)

**Security Symbol:** IFS

Announcement Details

**The Company Financial Statement (F45-1)**

Company name	IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED			
Quarter	Quarter 3			

(In thousands)

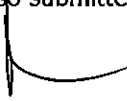
**The Company Financial Statement**

	Quarter 3		For 9 Months	
Status	Reviewed		Reviewed	
Ending	30 September		30 September	
Year	2016	2015	2016	2015
Net profit (loss)	33,266	29,236	101,267	85,512
EPS (baht)	0.07	0.06	0.22	0.18

Type of report      Unqualified opinion

Please see details in financial statements, auditor's report and remarks from SET SMART

"The company hereby certifies that the information above is correct and complete. In addition, the company has already reported and disseminated its financial statements in full via the SET Electronic Listed Company Information Disclosure (SET Portal), and has also submitted the original report to the Securities and Exchange Commission."

Signature   
(Mr. Tan Ley Yen)  
Director and CEO  
Authorized to sign on behalf of the company

This announcement was prepared and disseminated by listed company or issuer through the electronic system which is provided for the purpose of dissemination of the information and related documents of listed company or issuer to the Stock Exchange of Thailand only. The Stock Exchange of Thailand has no responsibility for the correctness and completeness of any statements, figures, reports or opinions contained in this announcement, and has no liability for any losses and damages in any cases. In case you have any inquiries or clarification regarding this announcement, please directly contact listed company or issuer who made this announcement.

**REVIEW REPORT ON INTERIM FINANCIAL INFORMATION  
OF THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS**

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**

We have reviewed the statement of financial position of IFS Capital (Thailand) Public Company Limited as at September 30, 2016 and the related statement of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2016, changes in shareholders' equity and cash flows for the nine-month period then ended, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and fair presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

**Scope of Review**

We conducted our review in accordance with Thai Standard on Review Engagements 2410 "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

**Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information has not been prepared in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

**BANGKOK**  
November 8, 2016

Nisakorn Songmanee  
Certified Public Accountant (Thailand)  
Registration No. 5035  
**DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.**

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION**

**AS AT SEPTEMBER 30, 2016**

**UNIT : BAHT**

		<b>"Unaudited"</b>	
	<b>Notes</b>	<b>As at September 30, 2016</b>	<b>As at December 31, 2015</b>
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents		270,994,337	227,228,991
Factoring receivables	5	2,624,003,716	2,745,463,284
Current portion of hire purchase receivables	6	569,185	3,671,467
Current portion of lease contract receivables	7	101,477,207	117,089,833
Inventory finance receivables	8	98,448,087	74,376,817
Amounts due from related companies	13	29,288	43,991
Properties foreclosed	3	2,894,600	-
Other current assets		2,634,796	1,605,079
Total Current Assets		<u>3,101,051,216</u>	<u>3,169,479,462</u>
<b>NON-CURRENT ASSETS</b>			
Bank deposits held as collateral		156,029	154,168
Hire purchase receivables	6	-	259,267
Lease contract receivables	7	127,808,980	127,156,719
Plant and equipment		53,127,321	56,438,093
Investment property	9	72,010,254	32,104,981
Intangible assets		6,059,547	4,406,770
Deferred tax assets		50,185,207	55,315,275
Other non-current assets		784,817	466,670
Total Non-current Assets		<u>310,132,155</u>	<u>276,301,943</u>
<b>TOTAL ASSETS</b>		<u><u>3,411,183,371</u></u>	<u><u>3,445,781,405</u></u>

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT SEPTEMBER 30, 2016**

**UNIT : BAHT**

		<b>"Unaudited"</b>	
	<b>Notes</b>	<b>As at</b>	<b>As at</b>
		<b>September 30,</b>	<b>December 31,</b>
		<b>2016</b>	<b>2015</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Short-term loans from financial institutions	10	1,975,000,000	2,010,000,000
Current portion of long-term loans	11	150,000,000	172,100,000
Amounts due to a related company	13	60,828	50,041
Other current liabilities		51,069,110	43,396,270
Total Current Liabilities		<u>2,176,129,938</u>	<u>2,225,546,311</u>
<b>NON-CURRENT LIABILITIES</b>			
Long-term loans	11	78,500,000	103,500,000
Employee benefits obligation		30,871,165	27,319,067
Total Non-current Liabilities		<u>109,371,165</u>	<u>130,819,067</u>
<b>TOTAL LIABILITIES</b>		<u>2,285,501,103</u>	<u>2,356,365,378</u>

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**

**STATEMENT OF FINANCIAL POSITION (CONTINUED)**

**AS AT SEPTEMBER 30, 2016**

**UNIT : BAHT**

	<b>"Unaudited"</b>	
	<b>Notes</b>	
	<b>As at</b>	<b>As at</b>
	<b>September 30,</b>	<b>December 31,</b>
	<b>2016</b>	<b>2015</b>
<b>LIABILITIES AND SHAREHOLDERS' EQUITY (CONTINUED)</b>		
SHAREHOLDERS' EQUITY		
SHARE CAPITAL		
Authorized share capital		
470,000,000 ordinary shares of Baht 1 each	<u>470,000,000</u>	<u>470,000,000</u>
Issued and paid-up share capital		
470,000,000 ordinary shares of Baht 1 each, fully paid-up	470,000,000	470,000,000
ADDITIONAL PAID-UP CAPITAL		
Premium on ordinary shares	31,746,399	31,746,399
RETAINED EARNINGS		
Appropriated		
Legal reserve	47,000,000	47,000,000
Unappropriated	<u>576,935,869</u>	<u>540,669,628</u>
TOTAL SHAREHOLDERS' EQUITY	<u>1,125,682,268</u>	<u>1,089,416,027</u>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<u><u>3,411,183,371</u></u>	<u><u>3,445,781,405</u></u>

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2016**  
**"UNAUDITED"**

**UNIT : BAHT**

	<b>Notes</b>	<b>2016</b>	<b>2015</b>
<b>REVENUES</b>			
Factoring income		59,518,737	59,061,326
Hire purchase income		28,603	175,691
Finance lease income		5,347,919	5,610,991
Factoring commission and service fees		20,243,182	19,478,016
Other income		6,869,115	4,229,118
Total Revenues		<u>92,007,556</u>	<u>88,555,142</u>
<b>EXPENSES</b>			
Selling expenses		4,534,131	2,910,169
Administrative expenses		22,342,775	18,611,225
Management benefit expenses	13	7,582,017	7,075,420
Allowance for doubtful accounts		1,025,225	8,951,222
Total Expenses		<u>35,484,148</u>	<u>37,548,036</u>
<b>INCOME BEFORE FINANCE COST AND</b>			
INCOME TAX EXPENSES		56,523,408	51,007,106
FINANCE COST		<u>15,301,776</u>	<u>15,230,191</u>
INCOME BEFORE INCOME TAX EXPENSES		41,221,632	35,776,915
INCOME TAX EXPENSE		<u>7,956,118</u>	<u>6,540,630</u>
<b>PROFIT FOR THE PERIODS</b>		<u><u>33,265,514</u></u>	<u><u>29,236,285</u></u>
<b>BASIC EARNINGS PER SHARE</b>			
	<b>BAHT</b>	0.07	0.06
<b>WEIGHTED AVERAGE NUMBER OF</b>			
<b>ORDINARY SHARES</b>	<b>SHARES</b>	470,000,000	470,000,000

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016**  
**"UNAUDITED"**

UNIT : BAHT

	Notes	2016	2015
<b>REVENUES</b>			
Factoring income		178,183,885	177,771,573
Hire purchase income		176,731	562,792
Finance lease income		16,674,532	19,333,394
Factoring commission and service fees		60,435,136	59,110,415
Other income		18,613,716	13,070,439
Total Revenues		<u>274,084,000</u>	<u>269,848,613</u>
<b>EXPENSES</b>			
Selling expenses		11,464,439	10,632,319
Administrative expenses		65,225,865	54,653,050
Management benefit expenses	13	24,553,618	23,578,773
Allowance for doubtful accounts		254,137	23,509,186
Total Expenses		<u>101,498,059</u>	<u>112,373,328</u>
<b>INCOME BEFORE FINANCE COST AND</b>			
INCOME TAX EXPENSE		172,585,941	157,475,285
FINANCE COST		<u>45,151,401</u>	<u>50,496,494</u>
INCOME BEFORE INCOME TAX EXPENSE		127,434,540	106,978,791
INCOME TAX EXPENSE		<u>26,167,299</u>	<u>21,466,334</u>
<b>PROFIT FOR THE PERIODS</b>		<u><u>101,267,241</u></u>	<u><u>85,512,457</u></u>
<b>BASIC EARNINGS PER SHARE</b>			
	<b>BAHT</b>	0.22	0.18
<b>WEIGHTED AVERAGE NUMBER OF</b>			
<b>ORDINARY SHARES</b>	<b>SHARES</b>	470,000,000	470,000,000

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016**  
**"UNAUDITED"**

UNIT : BAHT

	Notes	Issued and Paid-up Share Capital	Premium on Ordinary Shares	Retained Earnings Appropriated Legal Reserve	Unappropriated	Total Shareholders' Equity
<b>Beginning balance as at</b>						
<b>January 1, 2015</b>		470,000,000	31,746,399	44,362,189	493,341,971	1,039,450,559
Changes during the period						
Total comprehensive income		-	-	-	85,512,457	85,512,457
Dividends paid	12	-	-	-	(68,150,000)	(68,150,000)
<b>Ending balance as at</b>						
<b>September 30, 2015</b>		<u>470,000,000</u>	<u>31,746,399</u>	<u>44,362,189</u>	<u>510,704,428</u>	<u>1,056,813,016</u>
<b>Beginning balance as at</b>						
<b>January 1, 2016</b>		470,000,000	31,746,399	47,000,000	540,669,628	1,089,416,027
Changes during the period						
Total comprehensive income		-	-	-	101,267,241	101,267,241
Dividends paid	12	-	-	-	(65,001,000)	(65,001,000)
<b>Ending balance as at</b>						
<b>September 30, 2016</b>		<u>470,000,000</u>	<u>31,746,399</u>	<u>47,000,000</u>	<u>576,935,869</u>	<u>1,125,682,268</u>

See condensed notes to the financial statements



**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016**  
**"UNAUDITED"**

UNIT : BAHT

	Notes	2016	2015
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Income before income tax expenses		127,434,540	106,978,791
Adjustments for :			
Allowance for doubtful accounts		254,137	23,509,186
Gain from sales of fixed assets		-	(373,832)
Interest expenses		44,840,532	49,878,209
Employment benefits expense		3,552,098	3,197,954
Depreciation and amortization		7,659,616	5,695,808
		<u>183,740,923</u>	<u>188,886,116</u>
Operating assets (increase) decrease			
Factoring receivable		123,929,382	148,946,282
Hire purchase receivable		3,391,740	2,512,071
Lease contract receivable		12,105,791	64,456,758
Inventory finance receivable		(23,970,838)	5,451,251
Amount due from a related company		14,703	(3,911)
Other current assets		(2,062,350)	949,786
Properties foreclosed		(2,894,600)	-
Fixed deposits pledged as collateral		(1,861)	(2,480)
Non-other current assets		(318,147)	(941,359)
Operating liabilities increase (decrease)			
Amount due to a related company		10,787	79,629
Other current liabilities		15,855,073	4,910,447
Cash paid for operating activities		<u>309,800,603</u>	<u>415,244,590</u>
Interest expense paid		(45,655,300)	(50,991,503)
Income tax paid		<u>(27,327,498)</u>	<u>(32,173,304)</u>
Net cash provided by operating activities		<u>236,817,805</u>	<u>332,079,783</u>

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**STATEMENT OF CASH FLOWS (CONTINUED)**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2016**  
**"UNAUDITED"**

UNIT : BAHT

	Notes	2016	2015
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Cash paid for purchases of plant and equipment		(832,371)	(67,864,123)
Cash paid for purchases of investment property		(41,792,375)	-
Cash paid for purchases of intangible assets	4.1	(3,326,713)	(3,368,655)
Cash received from sale of fixed assets		-	373,832
Net cash used in investing activities		<u>(45,951,459)</u>	<u>(70,858,946)</u>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>			
Cash paid for short-term loans			
to financial institutions		(8,355,000,000)	(10,260,000,000)
Cash received from short-term loans			
from financial institutions		8,320,000,000	10,345,000,000
Cash paid for long-term loans			
to financial institutions		(147,100,000)	(214,900,000)
Cash received for long-term loans			
to financial institutions		100,000,000	-
Cash paid for dividend		(65,001,000)	(68,150,000)
Net cash used in financing activities		<u>(147,101,000)</u>	<u>(198,050,000)</u>
Net increase in cash and cash equivalents		43,765,346	63,170,837
Cash and cash equivalents at beginning of the periods		<u>227,228,991</u>	<u>172,565,524</u>
<b>Cash and cash equivalents at end of the periods</b>	4.2	<u><u>270,994,337</u></u>	<u><u>235,736,361</u></u>

See condensed notes to the financial statements

**IFS CAPITAL (THAILAND) PUBLIC COMPANY LIMITED**  
**CONDENSED NOTES TO THE FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2016**  
**“UNAUDITED”**

**1. GENERAL INFORMATION AND THE COMPANY’S OPERATION**

The Company was incorporated in March 1991, under the laws of Thailand and registered as a Public Company Limited with the Ministry of Commerce on April 18, 2007. The Company’s office is located at 20<sup>th</sup> floor Lumpini Tower, 1168/55 Rama IV Road, Tungmahamek, Sathorn, Bangkok. The business activities of the Company are factoring, hire purchase, leasing businesses and office rental.

The major shareholders are IFS Capital Holdings (Thailand) Limited with 36.64% and IFS Capital Limited (registered in Singapore) with 36.49% shareholdings. The ultimate parent company of the group is Phillip Asset Pte. Ltd., registered in Singapore.

The Company has been foreign and submitted the request to do business under Section 17 of the Foreign Business Act B.E. 2542 and obtained the license of foreign business operations dated July 3, 2009 from the Department of Business Development to do business in category 3 (21) service business as follows:

- 1) Factoring
- 2) Leasing and hire purchase businesses only to the existing customers committed under the leasing and hire purchase agreements

Thus, the Company has to comply with the conditions specified in the certificate of foreign business operations.

On November 27, 2009, the Company had reapplied for a permission to operate a business under annex 3 (21): service businesses of leasing and hire purchase of vehicles and machineries used in industry, tools used in transport of goods, vessels and carriages used in agriculture to new clients and on April 8, 2010, the Company had obtained the approval from the Department of Business Development.

Subsequently, on June 18, 2015 and June 26, 2016, the Company had applied for a permission to operate a business under annex 3 (21): service businesses of office rental including utility and facility with other company on September 23, 2015 and July 22, 2016, respectively, the Company had obtained the approval from the Department of Business Development.

**2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS**

- 2.1 These interim financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2015) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.

- 2.2 The statements of financial position as at December 31, 2015, presented herein for comparison, have been derived from the financial statements of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2016 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month and nine-month periods ended September 30, 2016 should be read in conjunction with the audited financial statements for the year ended December 31, 2015.
- 2.5 The preparation of financial statements in conformity with Thai Financial Reporting Standards requires management to exercise judgment in order to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities and disclosure of contingent assets and liabilities. The actual results may differ from those estimates.
- 2.6 Adoption of new and revised Thai Financial Reporting Standards  
The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs) (Revised 2015) which are effective for the financial statements for the periods beginning on or after January 1, 2016. The Company has adopted such TFRSs from January 1, 2016 which have no material impact on these financial statements

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2015, except that the Company has adopt the new and revised Thai Financial Reporting Standards (TFRSs) that are effective for the financial statement for the period beginning on or after January 1, 2016. However, such TFRSs have no material impact on these financial statements as described in Note 2.6 and accounting policy as follow:

#### **Properties foreclosed**

Properties foreclosed are stated at the lower of the net carrying value of the receivable or net realizable value.

Gains (losses) on disposal of properties foreclosed are recorded as income or expenses in the statements of profit or loss and other comprehensive income when the disposal is made. Impairment loss (if any) is recognized as expense in the statements of profit or loss and other comprehensive income.

#### 4. SUPPLEMENTARY DISCLOSURE OF CASH FLOWS INFORMATION

4.1 Intangible assets for the nine-month periods ended September 30, 2016 and 2015 are as follows:

	<b>2016 Baht</b>	<b>2015 Baht</b>
Other payable - intangible assets, beginning balance (included in other current liabilities)	44,566	2,439,600
<u>Add</u> Purchases of intangible assets	3,282,147	1,412,695
<u>Less</u> Cash paid for purchases of intangible assets	<u>(3,326,713)</u>	<u>(3,368,655)</u>
Other payable - intangible asset, ending balance (included in other current liabilities)	<u><u>-</u></u>	<u><u>483,640</u></u>

4.2 Cash and cash equivalents as at September 30, 2016 and 2015 consist of the following:

	<b>2016 Baht</b>	<b>2015 Baht</b>
Cash on hands	30,000	30,000
Cash at banks - current accounts	11,720,413	13,928,567
Cash at banks - savings accounts	<u>259,243,924</u>	<u>221,777,794</u>
	<u><u>270,994,337</u></u>	<u><u>235,736,361</u></u>

#### 5. FACTORING RECEIVABLES

Factoring receivables as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Factoring receivables	3,365,615,487	3,545,848,422
<u>Less</u> Allowance for doubtful accounts (*)	<u>(116,214,730)</u>	<u>(118,692,367)</u>
	3,249,400,757	3,427,156,055
<u>Less</u> Factoring payables	<u>(625,397,041)</u>	<u>(681,692,771)</u>
Factoring receivables, net	<u><u>2,624,003,716</u></u>	<u><u>2,745,463,284</u></u>

(\*) As at September 30, 2016 and December 31, 2015, the Company has provided for the allowance for doubtful accounts on a collective basis for factoring receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 3,494,573 and Baht 5,639,761, respectively.

Factoring receivables as at September 30, 2016 and December 31, 2015 were classified by aging as follows:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Current	2,420,899,366	2,528,118,337
Overdue :		
Not more than 3 months	827,747,512	879,756,207
Over 3 months but not more than 6 months	5,311,067	8,704,262
Over 6 months but not more than 12 months	23,005	1,337,008
More than 12 months	-	33,169,902
Debtors subject to legal proceedings	111,634,537	94,762,706
	<u>3,365,615,487</u>	<u>3,545,848,422</u>

## 6. HIRE PURCHASE RECEIVABLES

Hire purchase receivables as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Outstanding contract price	590,193	4,158,664
<u>Less</u> Unearned financing income	<u>(19,633)</u>	<u>(196,364)</u>
	570,560	3,962,300
<u>Less</u> Allowance for doubtful accounts (*)	<u>(1,375)</u>	<u>(31,566)</u>
	569,185	3,930,734
Due within one year	590,193	3,861,491
<u>Less</u> Unearned financing income	<u>(19,633)</u>	<u>(190,024)</u>
<u>Less</u> Allowance for doubtful account	<u>(1,375)</u>	<u>-</u>
Current portion of hire purchase receivables, net	569,185	3,671,467
Hire purchase receivables, net	<u>-</u>	<u>259,267</u>

(\*) As at September 30, 2016 and December 31, 2015, the Company has provided for the allowance for doubtful accounts on a collective basis for hire purchase receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 1,375 and Baht 31,566, respectively.

Hire purchase receivables as at September 30, 2016 and December 31, 2015 were classified by aging as follows:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Current	<u>570,560</u>	<u>3,962,300</u>

## 7. LEASE CONTRACT RECEIVABLES

Lease contract receivables as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Outstanding contract price	409,036,057	443,016,887
<u>Less</u> Deposits on long-term lease contracts	(142,276,109)	(163,373,667)
<u>Less</u> Unearned financing income	(27,803,668)	(28,429,323)
	<u>238,956,280</u>	<u>251,213,897</u>
<u>Less</u> Allowance for doubtful accounts (*)	(9,670,093)	(6,967,345)
	<u>229,286,187</u>	<u>244,246,552</u>
 Due within one year	 164,844,251	 197,561,354
<u>Less</u> Deposits on long-term lease contracts	(46,543,318)	(64,500,949)
<u>Less</u> Unearned financing income	(16,823,726)	(15,970,572)
Current portion of lease contract receivables, net	<u>101,477,207</u>	<u>117,089,833</u>
Lease contract receivables, net	<u>127,808,980</u>	<u>127,156,719</u>

(\*) As at September 30, 2016 and December 31, 2015, the Company has provided for the allowance for doubtful accounts on a collective basis for lease contract receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 554,098 and Baht 1,961,457 respectively.

Lease contract receivables as at September 30, 2016 and December 31, 2015 were classified by aging as follows:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Current	222,099,866	224,800,532
Overdue :		
Not more than 3 months	2,962,126	4,206,030
Over 3 months but not more than 6 months	990,355	11,604,599
Over 6 months but not more than 12 months	2,502,453	4,685,598
More than 12 months	1,112,939	-
Debtors subject to legal proceedings	9,288,541	5,917,138
	<u>238,956,280</u>	<u>251,213,897</u>

## 8. INVENTORY FINANCE RECEIVABLES

Inventory finance receivables as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Inventory finance receivables	111,169,991	87,199,153
<u>Less</u> Allowance for doubtful accounts (*)	<u>(12,721,904)</u>	<u>(12,822,336)</u>
Inventory finance receivables, net	<u>98,448,087</u>	<u>74,376,817</u>

(\*) As at September 30, 2016 and December 31, 2015, the Company has provided for the allowance for doubtful accounts on a collective basis for inventory finance receivables which were classified as normal and overdue for less than 3 months which amounted to Baht 100,432 (as at September 30, 2016: Nil).

Inventory finance receivables as at September 30, 2016 and December 31, 2015 were classified by aging as follows:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Current	98,448,087	74,477,249
Debtors subject to legal proceedings	<u>12,721,904</u>	<u>12,721,904</u>
	<u>111,169,991</u>	<u>87,199,153</u>

## 9. INVESTMENT PROPERTY

On June 27, 2016, the Company entered into purchase agreement of condominium with another company amounting to Baht 41.79 million. The condominium has been transferred rights of ownership in June 2016 include was transferred an existing lease agreement from other company in the same month. The Company recognized such condominium as a part of investment property.



# **10. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS**

Short-term loans from financial institutions as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Promissory notes	<u>1,975,000,000</u>	<u>2,010,000,000</u>

As at September 30, 2016 and December 31, 2015, the company have short-term loans from financial institutions bearing interest rates at 2.60% to 3.05% per annum and 2.62% to 3.35% per annum, respectively.

# **11. LONG-TERM LOANS**

Long-term loans from financial institutions as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Long-term loans	228,500,000	275,600,000
Current portion of long-term loans	<u>(150,000,000)</u>	<u>(172,100,000)</u>
	<u>78,500,000</u>	<u>103,500,000</u>

As at September 30, 2016 and December 31, 2015, the company entered into long-term loans with financial institutions at the floating interest rates 3.44% to 4.40% p.a. and 3.48% to 4.63% p.a. respectively, and are repayable quarterly installments, the last installment of such loans fall due in June 2019.

# **12. DIVIDENDS PAID**

On April 22, 2016, the ordinary Shareholder's meeting passed a resolution to pay dividend of Baht 0.1383 per share on 470,000,000 shares, totaling Baht 65.00 million. Such dividend was paid on May 19, 2016.

On April 20, 2015, the ordinary Shareholder's meeting passed a resolution to pay dividend of Baht 0.145 per share on 470,000,000 shares, totaling Baht 68.15 million. Such dividend was paid on May 18, 2015.

### 13. RELATED PARTY TRANSACTIONS

The accompanying financial statements include certain transactions with related companies. The relationship may be that of shareholding or the companies may have the same group of shareholders or directors. The financial statements reflect the effects of these transactions in the normal business practice, and the price rates, interest rates, terms and conditions are considered to be at arms length, for related party as at the date received by the Board or the shareholders approved.

Balance with related companies as at September 30, 2016 and December 31, 2015 consist of the following:

	<b>Relationship</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
Amount due from related companies			
IFS Capital Limited	Major Shareholder company	29,288	43,791
IFS Capital Holdings (Thailand) Limited	Related company	-	200
		<u>29,288</u>	<u>43,991</u>
Amount due to a related company			
IFS Capital Limited	Major Shareholder company	<u>60,828</u>	<u>50,041</u>

Significant transactions with related parties for the three-month and nine-month periods ended September 30, 2016 and 2015 are as follows:

	<b>For the three-month periods ended September 30,</b>		<b>For the nine-month periods ended September 30,</b>	
	<b>2016 Baht</b>	<b>2015 Baht</b>	<b>2016 Baht</b>	<b>2015 Baht</b>
Management benefit expenses				
Short-term benefits	7,163,470	6,681,730	23,263,370	22,397,690
Post-employment benefits	411,397	385,048	1,258,083	1,155,151
Other long-term benefits	<u>7,150</u>	<u>8,642</u>	<u>32,165</u>	<u>25,932</u>
	<u>7,582,017</u>	<u>7,075,420</u>	<u>24,553,618</u>	<u>23,578,773</u>

### 14. COMMITMENTS

As at September 30, 2016 and December 31, 2015, the Company has the committed credit facility agreements with financial institutions for general corporate funding requirements as follows:

	<b>As at September 30, 2016 Baht</b>	<b>As at December 31, 2015 Baht</b>
Total credit facilities	<u>4,614,000,000</u>	<u>4,721,000,000</u>

As at September 30, 2016 and December 31, 2015, the Company has utilized the letter of credit amounting to Baht 6.36 million and Baht 17.60 million, respectively, for factoring, hire purchase and leasing contract. However, as at September 30, 2016 and December 31, 2015, the Company has unused such credit facilities with banks totaling Baht 1,933 million and Baht 1,877 million, respectively.

## 15. FINANCIAL INFORMATION BY SEGMENT

The business segment results are prepared based on the Management of the company. The operating results by business segment provided to Chief Operating Decision Maker to make decisions about allocating resources to, and assessing the performance of, operating segments is measured in accordance with Thai Financial Reporting Standard.

The business segments are described below:

Factoring business: is a short term loan that provides liquidity to the business immediately and enables the business to increase its turnover in the form of buying accounts receivable. The factoring facility is applicable to both domestic and international sales.

Hire purchase and Leasing business: are long term loans for invested in business industry.

Others: encompasses a range of activities from corporate decisions, income and expenses not attributed to the business segments described.

For the three-month and nine-month periods ended September 30, 2016 and 2015, there is no revenue from a single external customer contributed 10% or more to the Company's total revenue.

The financial statements by business segment for the three-month and nine month periods ended September 30, 2016 and 2015 were as follow:

Unit : Baht '000

	For the three-month periods ended September 30,				2015			
	2016				2015			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Income from operations	79,762	5,376	-	85,138	78,539	5,787	-	84,326
Other income	5,874	996	-	6,870	3,540	689	-	4,229
Total income	85,636	6,372	-	92,008	82,079	6,476	-	88,555
Allowance for doubtful accounts (reverse)	(1,104)	2,129	-	1,025	9,770	(819)	-	8,951
Selling and administrative expenses	32,073	2,386	-	34,459	26,509	2,088	-	28,597
Total operation expenses	30,969	4,515	-	35,484	36,279	1,269	-	37,548
Net income before finance cost and income tax	54,667	1,857	-	56,524	45,800	5,207	-	51,007
Finance cost	14,243	1,059	-	15,302	14,126	1,104	-	15,230
Income tax expenses	7,867	89	-	7,956	6,127	414	-	6,541
Net income for the periods	32,557	709	-	33,266	25,547	3,689	-	29,236

Unit : Baht '000

	For the nine-month periods ended September 30,				2015			
	2016							
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Income from operations	238,619	16,851	-	255,470	236,882	19,896	-	256,778
Other income	16,572	2,042	-	18,614	12,037	1,033	-	13,070
Total income	255,191	18,893	-	274,084	248,919	20,929	-	269,848
Allowance for doubtful accounts (reverse)	(2,570)	2,824	-	254	25,083	(1,574)	-	23,509
Selling and administrative expenses	94,265	6,979	-	101,244	81,972	6,892	-	88,864
Total operation expenses	91,695	9,803	-	101,498	107,055	5,318	-	112,373
Net income before finance cost and income tax	163,496	9,090	-	172,586	141,864	15,611	-	157,475
Finance cost	42,040	3,112	-	45,152	46,581	3,916	-	50,497
Income tax expenses	23,592	2,575	-	26,167	18,326	3,140	-	21,466
Net income for the periods	97,864	3,403	-	101,267	76,957	8,555	-	85,512

Unit : Baht '000

	As at September 30, 2016				As at December 31, 2015			
	Factoring business	Hire purchase and Leasing business	Others	Total	Factoring business	Hire purchase and Leasing business	Others	Total
Total assets	2,722,452	229,855	458,876	3,411,183	2,819,840	248,177	377,764	3,445,781

## 16. APPROVAL FOR ISSUANCE OF THE FINANCIAL STATEMENTS

These financial statements have been approved for issue by the authorized director of the Company on November 8, 2016.